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AUG 28 2000

**FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY**

August 28, 2000

Via HAND DELIVERY

Ms. Magalie Roman Salas
Office of the Secretary
Federal Communications Commission
The Portals – TW-A325
445 Twelfth Street, S.W.
Washington, D.C. 20554

**Re: Startec Global Communications Corporation's and Startec Global Operating
Company's Petition for Expedited Waiver of the Commission's Rules,
CC Docket No. 94-129**

Dear Ms. Salas:

On behalf of Startec Global Communications Corporation and Startec Global Operating Company (collectively "Startec"), enclosed please find for filing an original and four copies of Startec's Petition for Expedited Waiver of the Commission's Rules in the above-referenced matter.

Also enclosed is an additional copy of Startec's Petition, which we ask you to date-stamp and return with our messenger.

If you have any questions, please do not hesitate to contact me.

Sincerely,



Pantelis Michalopoulos
*Counsel for Startec
Global Communications
Corporation and Startec Global
Operating Company*

Enclosures

No. of Copies rec'd 014
List A B C D E

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554**

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AUG 28 2000

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the Matter of)

Implementation of the Subscriber Carrier)
Selection Changes Provisions of the)
Telecommunications Act of 1996)

CC Docket No. 94-129

Policies and Rules Concerning)
Unauthorized Changes of Consumers Long)
Distance Carriers)

Startec Global Communications Corporation)
and Startec Global Operating Company)
Request for Waiver)

PETITION FOR EXPEDITED WAIVER OF COMMISSION'S RULES

Startec Global Communications Corporation and Startec Global Operating Company (collectively, "Startec") hereby petition for a waiver of the Commission's subscriber verification rules to allow Startec to transfer Telcorp, Ltd's ("Telcorp's") customer base, consisting exclusively of business customers, without first obtaining each subscriber's authorization and verification.¹ As set forth below, good cause exists for this waiver because the general purpose behind the rule will be fulfilled by the measures proposed by Startec. In addition, the waiver will serve the public interest because it will ensure that there is not a disruption in service for the customer accounts that are affected by the change in carrier. Startec requests expedited treatment of this waiver request, because the success of the transaction

¹ See 47 C.F.R. §§ 64.1100 – 64.1150.

depends upon Startec receiving the waiver expeditiously. Specifically, this transaction is contingent on, among other things, grant of the requested waiver. If Commission approval is not forthcoming very promptly, the result may be a failure to consummate the transaction and a possible termination of the agreement in question.

Pursuant to an Asset Purchase Agreement among Startec Global Operating Company, its parent Startec Global Communications Corporation and Telcorp and certain of its shareholders dated as of August 21, 2000, Startec has agreed to purchase certain assets of Telcorp, namely Telcorp's long-distance customer accounts, subject to, among other things, grant of the instant waiver request. Upon consummation of this transaction, Startec will continue to provide Telcorp's customers with the same telecommunications services previously provided by Telcorp, including domestic and international long distance services.²

While this transaction may technically constitute a change of preferred inter-exchange carrier for Telcorp's customers, Startec is concerned that strict compliance with the Commission's subscriber verification rules in this instance will result in unnecessary confusion and disruption of service to the current customers of Telcorp. Specifically, Telcorp's customer base consists of corporations and not individual consumers. Startec (and Telcorp) believe that attempts to receive written and electronic authorizations from these companies may go

² After consummation of the transaction, the telecommunications services previously provided by Telcorp will be provided by Startec. Each of the services provided by Startec will be provided to customers under the brand name of "Startec." Startec already possesses all the requisite authority under the Communications Act, 47 U.S.C. § 214, to provide the services in question.

unanswered and many of Telcorp's current customers will lose critical telecommunications services currently being provided by Telcorp. Since Telcorp is currently providing telecommunications services to numerous small and medium-sized companies, any disruption of service might seriously jeopardize the financial viability of these companies. These special circumstances warrant a deviation from the Commission's Rules in order to satisfy the public interest.³ Indeed, the requested waiver is consistent with Commission precedent and the Commission's standard treatment of exactly such transactions. On many prior occasions, the Commission has granted similar requests involving similar circumstances.⁴

To minimize any confusion, Telcorp will be sending a notice to each of its customers (customers under individual contract will be notified separately) to notify them of the agreement between Telcorp and Startec, and to indicate that their underlying carrier for all telecommunications services, including long-distance, will be changing upon receiving regulatory approval. A copy of this notice is set forth in Exhibit A. In addition, this notice will:

(1) notify Telcorp's customers that Startec does not have any immediate plans to change the

³ See *Northeast Cellular Telephone Co. v. FCC*, 897 F.2d 1164, 1166 (D.C. Cir. 1990) ("The FCC may exercise its discretion to waive a rule where particular facts would make strict compliance inconsistent with the public interest"); *Wait Radio v. FCC*, 418 F.2d 1153 (D.C. Cir. 1969).

⁴ See *Broadwing Telecommunications, Inc. Petition for Waiver*, 15 FCC Rcd. 10141 (2000). See also *Stratos Telecom, Inc. and Stratos Offshore Services Company Petition for Waiver*, 15 FCC Rcd. 10051 (2000); *International Exchange Communications, Inc. Request for Waiver*, DA 99-1819 (rel. Sept. 10, 1994) (granting IECComm a waiver of the Commission's subscriber verification rules for purposes of its purchase of ITC's assets); *MCI Worldcom, Inc. Request for Waiver*, 14 FCC Rcd. 12264 (1999) (granting a waiver of the authorization and verification requirements of the Commission's rules to the extent necessary to allow it to transfer customers of LDI to a subsidiary of MCI).

current rates, terms and conditions of the telecommunications services previously provided by Telcorp; (2) indicate that there will be no charge associated with the asset purchase; (3) clearly state that each customer is free to choose another telecommunications provider at any time; and (4) provide a toll-free number for any questions. Upon obtaining all necessary regulatory approvals, Startec expects to send another notice notifying each of its customers that the purchase of Telcorp's assets has been consummated (*see* Exhibit B). Given the fact that these notices are being sent to sophisticated business consumers, both Startec and Telcorp are confident that there will not be any confusion as to the change in the underlying telecommunications carrier or the customer's right to choose another carrier. This situation of a technical PIC change is far afield from cases in which a long-distance carrier deceptively changes a customer's current long-distance provider – the specific type of situation the Commission's Rules were meant to prevent. In addition, Startec agrees to investigate and resolve any outstanding customer complaints that may have been filed against Telcorp.

In light of the potential for disruption in service and in an effort to minimize the delay in consummating this transaction, Startec requests expedited action on this waiver request. Waiver of the Commission's subscriber verification rules as set forth above would ensure a seamless transition to the provision of services by Startec, while the notices sent to Telcorp's customers will ensure that all affected customers understand the choices that are available to them

For the foregoing reasons, Startec respectfully requests that the Commission grant this request for an expedited waiver of the Commission's subscriber verification rules set forth in 47 C.F.R. §§ 64.1100 – 64.1150.

Respectfully submitted,

Startec Global Communications Corporation
Startec Global Operating Company

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Their Attorneys

Dated: August 28, 2000

EXHIBIT A

Dear Customer:

As you may already be aware, Telcorp, Ltd ("Telcorp") has recently signed an agreement with Startec Global Operating Company ("Startec") which will result in some of Telcorp's assets being purchased by Startec. Startec is very committed to ensuring that Telcorp's customers continue to receive excellent service while benefiting from the additional capabilities provided by Startec, which include a complete range of long distance telephone services.

The transaction will be finalized after, among other things, a certain government regulatory approval has been obtained. At that time the Telcorp name will disappear for all Telcorp services and be replaced by Startec, and Startec will continue to provide these services without interruption. Startec has no plans to change the rates, terms and conditions of the services currently provided to you. In addition, no charges or fees will be imposed as a result of the asset purchase. However, you are entirely free to choose another carrier to supply the services currently provided by Telcorp. No action is required if you wish to continue with Startec as your telecommunications provider.

Once the transaction has been consummated, an additional notice will be sent to you to indicate the date on which Startec will become your company's carrier for the above-mentioned telephone services. Although the name will change to Startec, you will continue to deal with many of the people you have already come to know at Telcorp. If you have any questions, please call (800) ____-____.

We look forward to your continued business.

Sincerely,

Telcorp, Ltd

EXHIBIT B

Dear Customer:

As indicated in a prior letter to you, some of the telecommunications assets of Telcorp, Ltd were recently purchased by Startec Global Operating Company subject to, among other things, the receipt of a certain regulatory approval. As of _____, this transaction has received that approval and closed. Startec is now your telecommunications service provider.

Startec has no plans to change the rates, terms and conditions of the services that Telcorp provided to your company. In addition, no charges or fees will be imposed as a result of the asset purchase. However, you are entirely free to choose another carrier to supply the services currently provided by Startec.

Although the name will change to Startec, you will continue to deal with many of the people you have already come to know at Telcorp. If you have any questions, please call (800) ____-____.

We look forward to your continued business.

Sincerely,

Startec Global Operating Company